

August 10, 2005

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
The Portals
445 12th Street, S.W.
Washington, D.C. 20554

RE: Subscriber Notification and Acknowledgement Status and Compliance Report of VoIP Inc., WC Docket No. 05-196

Dear Ms. Dortch:

VoIP Inc., through its undersigned counsel and in compliance with the Commission's *VoIP E911 Order* ("Order") and the Public Notice issued by the Enforcement Bureau on July 26, 2005 ("Public Notice"), submits this report to advise the Commission of the status of VoIP Inc.'s efforts to comply with Commission Rule 9.5(e).

As required by the Public Notice, VoIP Inc. responds to the following questions set out in the Public Notice:

1) A detailed description of all actions the provider has taken to specifically advise every subscriber, prominently and in plain language, of the circumstances under which E911 service may not be available through the interconnected VoIP service and/or may be in some way limited by comparison to traditional E911 service. This information should include, but is not limited to, relevant dates and methods of contact with subscribers.

Currently, VoIP Inc. notifies customers of its E911 service limitations and requests affirmative acknowledgement thereof via email, postal mail and website. All new customers are required to affirmatively acknowledge the 911 notice before they can access their account page. VoIP Inc. has taken the following steps to provide the notifications to all of the Company's customers, new and existing, required under Rule 9.5(e)(1):

- VoIP Inc. notified all of its U.S. customers regarding VOIP Inc.'s 911 and E911 service limitations on July 29, 2005 via email and U.S. mail.

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2) A quantification of how many of the provider's subscribers, on a percentage basis, have submitted an affirmative acknowledgement, as of the date of the report, and an estimation of the percentage of subscribers from whom they do not expect to receive an acknowledgement by August 29, 2005.

As of August 9, 2005, VoIP Inc. has obtained affirmative acknowledgement from approximately 14% of its subscriber base. VoIP Inc. cannot predict with precision what its final response rate will be, but estimates that at least 35% of its retail customers will still not have provided affirmative acknowledgement by August 29, 2005.

3) A detailed description of whether and how the provider has distributed to all subscribers warning stickers or other appropriate labels warning subscribers if E911 service may be limited or not available and instructing the subscriber to place them on and/or near the customer premises equipment used in connection with the interconnected VoIP service. This information should include, but is not limited to, relevant dates and methods of contact with subscribers (i.e. e-mail, U.S. mail).

VoIP Inc. has distributed warning labels to all of its existing subscribers. Those labels, along with appropriate instructions that advise the subscriber to place the labels on or near the customer premises equipment, were delivered to subscribers on July 28, 2005 via U.S. mail, return receipt requested. VoIP Inc. also provided warning labels to new subscribers who signed up for service beginning on July 28, 2005, to ensure that those new subscribers would receive the required labels on a timely basis. These labels were attached to the Customer Premises Equipment before being sent to the subscriber.

4) A quantification of how many subscribers, on a percentage basis, to whom the provider did not send the advisory described in [Question 1] and/or to whom the provider did not send warning stickers or other appropriate label as identified in [Question 3].

VoIP Inc. has sent advisories and warning labels to 100% of its U.S. subscribers.

5) A detailed description of any and all actions the provider plans on taking towards any of its subscribers that do not affirmatively acknowledge having received and understood the advisory, including, but not limited to, disconnecting the subscriber's VoIP service with the Company no later than August 30, 2005.

VoIP Inc. is continuing its campaign to contact and obtain affirmative acknowledgment from all of its subscribers. VoIP Inc. continues to send out notices via email to subscribers who have not yet submitted an affirmative acknowledgment by August 29, 2005. These e-mails, sent only to subscribers that have not provided an acknowledgment, will indicate that unless subscribers return the affirmative acknowledgement their service will be disconnected on August 30, 2005. In addition, VOIP Inc. has begun making telephone calls to notify customers that to date have failed to provide an affirmative acknowledgement, that they must do so in order to avoid disconnection.

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As detailed in response to Question 2, VoIP Inc. expects that despite its diligent efforts, the Company will not be able to obtain affirmative acknowledgement from some subscribers by August 29, 2005. For those customers that do not, by August 29, 2005, provide affirmative acknowledgement, on August 30, 2005, VoIP Inc. currently plans to disconnect subscribers from their service until affirmative acknowledgement is provided. This will be accomplished by blocking their customer premises equipment from registering with the network.

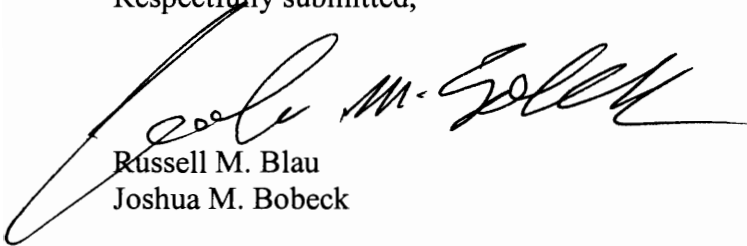
6) A detailed description of how the provider is currently maintaining any acknowledgements received from its subscribers.

VoIP Inc. is maintaining a column in the main accounts table in its billing database indicating that acknowledgement is received for existing and new customers. Copies of the actual acknowledgements from customers will be maintained in VOIP Inc.'s files.

7) The name, title, address, phone number, and e-mail address of the person(s) responsible for the Company's compliance efforts with the VoIP E911 Order.

John Iacovelli
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Respectfully submitted,



Russell M. Blau
Joshua M. Bobeck

Counsel for VOIP Inc.

I, John Iacovelli, state that I am Director of Special Operations, of VOIP Inc.; that I am authorized to submit this report on behalf of VOIP Inc.; that the foregoing filing was prepared under my direction and supervision; and I declare under penalty of perjury that this report is true and correct to the best of my knowledge, information, and belief.


Name: John Iacovelli
Title: Director of Special Operations
VOIP Inc.

8/10/05

A copy of this filing has been provided to each of the following:

Byron McCoy, Telecommunications Consumers Division, Enforcement Bureau,
Kathy Berthot, Deputy Chief, Spectrum Enforcement Division, Enforcement Bureau,
Janice Myles, Competition Policy Division, Wireline Competition Bureau, and
Best Copy and Printing, Inc.